

Chairman Review Procedure for Procurements Valued at \$1 Million or More but Less than \$3 Million

1. Notification of Planned Acquisitions

Twice a year (November 30 and May 30), the Division of Contracts (DC) will submit a Notification of Planned Acquisitions (NPA) for proposed procurement actions valued at \$1 million or more but less than \$3 million. The information provided in the NPA includes data provided by the Office Directors based on the current priorities and knowledge at the time of the submittal. The NPA will be submitted to the Chairman's office, with copies to the Commission, by the Office of the Executive Director for Operations (OEDO).

The NPA will include the following information as currently provided in Chairman review memoranda: Title, Procurement Method, Type of Action, Brief Description/Scope, Period of Performance, Total Estimated Cost, Estimated Cost by Fiscal Year, and Job Code.

DC will annotate specific actions, identified by the sponsoring office, that are known to be of particular interest or significance to the Commission.

2. Electronic Notifications from Chairman's Office

Based on a review of the NPA, the Chairman's office notifies the OEDO electronically that certain projects will require a briefing, and approves initiation of those projects that do not require a briefing. This will potentially eliminate a number of routine procurement actions from the full, formal Chairman review process. Electronic transmittals will allow quick dissemination by OEDO of information to all appropriate offices.

3. Preparation of Acquisition Notes

Prior to each briefing, an electronic Acquisition Note and SOW will be prepared to send to the Chairman's office, with copies to the Commission. An Acquisition Note for a DOE laboratory project will be prepared by the sponsoring office. An Acquisition Note for a commercial procurement will be prepared by DC based on information provided by the sponsoring office.

The Acquisition Note will supplement the information provided in the NPA report to ensure the Chairman has all pertinent data consistent with what is currently provided in Chairman review memoranda: Key Milestones/Outputs, Budget Availability, and Relationship of the Work to the Agency's Goals and Objectives.

4. Concurrence Process for Acquisition Notes

The Acquisition Note and SOW will be provided electronically by the sponsoring office or DC to the Office of General Counsel, Office of Chief Financial Officer, and other offices as required, for parallel review and electronic concurrence within ten business days. Unless requested by OEDO, the Office of Administration's concurrence is not required on the acquisition note and SOW for DOE laboratory projects valued at under \$3 million.

ENCLOSURE

While the Director, DC will separately continue to review DOE laboratory projects with an average annual cost of \$1 million or more in accordance with Management Directive 11.7, "Procedures for Placement and Monitoring of Work With DOE," Part II, Section (F), DC will complete this review independent of the Acquisition Note process. This will accelerate the Chairman review process for DOE laboratory agreement actions valued at under \$3 million.

DC will continue to provide oversight for agreements with DOE laboratories and other Federal agencies through periodic reviews of individual projects to assure adherence to sound contract management practices and to provide constructive feedback to the sponsoring office, including specific findings and recommendations for improvement. There has been increased focus on Project Manager training, including a course specifically addressing the award and administration of DOE laboratory agreements. Management Directive 11.7, "NRC Procedures for Placement and Monitoring of Work With the U.S. Department of Energy" and Management Directive 11.8, "NRC Procedures for Placement and Monitoring of Work With Other Federal Agencies Other Than DOE" are being revised to require use of performance-based contracting techniques to the maximum extent practicable when developing SOWs for DOE laboratory projects and interagency agreements. The directives and training are emphasizing the importance of timely and thorough monthly performance assessments as a means of identifying and resolving potential cost and/or performance problems. These measures will help to insure effective management of procurements with DOE laboratories and other Federal agencies, and will result in enhanced contractor performance.

5. OEDO Review

After concurrences are received, the sponsoring office will provide the Acquisition Note and SOW for a DOE laboratory agreement to the OEDO electronically. The Acquisition Note and SOW for a commercial procurement will be provided electronically to the OEDO by DC. The OEDO will provide the Acquisition Note and SOW electronically to the Chairman's office with copies to the Commission within five business days from receipt of the transmittal.

6. Conduct the Briefing

Each briefing will be held prior to initiation of the solicitation process, within the fifteen business day review period from receipt of the electronic Acquisition Note by the Chairman's office, at a date determined by the Chairman's office. Keeping within the fifteen business day review period, the Chairman's office will electronically advise the OEDO and the sponsoring office or DC whether the initiation of the procurement process may proceed. If the review is completed prior to the end of the fifteen business day review period and issuance of an electronic response is provided, this will accelerate the procurement process.

A separate Chairman memorandum will be submitted for any procurements valued at \$1 million or more but less than \$3 million that are identified subsequent to submittal of the NPA.

Other Actions Requiring an Acquisition Note

To ensure that critical work is not delayed, an Acquisition Note will be used to inform the Chairman, subsequent to taking any procurement action under a commercial contract, DOE project, or an agreement with another Federal agency where the action produces cost changes involving a 20 percent or greater increase to cost estimates that served as the basis for obtaining the Chairman's review or approval of the project, or where work is significantly accelerated.